



United Nations Global Compact: IPIECA's Communication on Engagement 2020

EXECUTIVE STATEMENT OF CONTINUED SUPPORT

IPIECA develops, shares and promotes good practice and knowledge to help the oil and gas industry and improve its environmental and social performance. Convening a significant portion of the industry across the value chain, IPIECA brings together the expertise of companies and associations with the understanding that the issues that dominate the sustainable agenda – climate and energy, environmental and social issues – are too big for individual companies to tackle alone. The industry must work together to achieve improvements that have real impact. IPIECA helps to realize this goal.

IPIECA is a not for profit association that provides a forum for encouraging continuous improvement in industry performance. Formed in 1974 following the launch of the United Nations Environment Programme (UNEP), IPIECA is the only global association involving both the upstream and downstream oil and gas industry. It is also the industry's principal channel of communication with the United Nations. Its unique position enables its members to support the energy transition and contribute to sustainable development.

IPIECA has supported the 10 principles of the UN Global Compact (UNGC) since 2000 and we show our continued participation in the activities of the UNGC by providing members with guidance and tools to respond effectively to environmental and social issues.

IPIECA's Communication of Engagement (COE), describing the actions taken to support the UNGC, are detailed below.

Yours Sincerely,

Brian Sullivan

IPIECA Executive Director

INTRODUCTION

IPIECA is the global oil and gas industry association, with a vision of improving industry operations and products to meet society's expectations for environmental and social performance. We have been supporting good practice throughout the industry for over 45 years. IPIECA strives to make its vision a reality by implementing the following mission:

- To **develop, share and promote** sound practices and solutions.
- To **enhance and communicate** knowledge and understanding.
- To **engage** members and others in the industry.
- To work in **partnership** with key stakeholders.

We work with our members from across the globe, providing leadership specifically on pertinent climate and energy, environmental, oil spill preparedness and social issues within the industry. Our current strategic plan maintains a strong framework for improving industry across these four themes. Furthermore, it strengthens our capability and capacity to anticipate future challenges, navigate industry towards improved practice and inform policymakers and stakeholders on key issues.

IPIECA believes that none of the key issues facing society today can be solved by isolated actions alone. For society to progress, companies, governments, investors and stakeholders all need to work together via partnerships. Through its global engagement, IPIECA fosters collaborative efforts to help the oil and gas industry improve its environmental and social performance and fulfil its role in supporting sustainable development.

The below description of practical actions provides examples of how IPIECA has initiated, organised and been involved in practical activities since January 2018. These highlight how IPIECA's main working groups and task forces have helped contribute towards the realisation of the UN Global Compact's (UNGCC) ten principles as well as the UN's Sustainable Development Goals (SDGs) from their production of sector-specific publications and their attendance and facilitation of workshops and events.

DESCRIPTION OF PRACTICAL ACTIONS

SOCIAL

IPIECA provides a unique forum to share information and coordinate responses to social issues and challenges surrounding the oil and gas industry. IPIECA supports the industry's efforts to proactively contribute to society, engaging positively with communities and stakeholders.

IPIECA's practical actions address the industry's pressing social issues and contribute to the implementation of the UNGC's **Human rights** and **Labour** principles, in addition to SDGs such as SDG **3, 10** and **16**.

SOCIAL RESPONSIBILITY

IPIECA members believe that managing local impacts, especially on the human rights of individuals, groups and communities, and maximizing the social and economic benefits to host countries are essential throughout a project's lifecycle. IPIECA convenes its members to facilitate peer-learning on managing potential risks and impacts, provide guidance on the implementation of human rights frameworks, and enable the development, sharing and promotion of good practice for the industry.

Workshops and events

- IPIECA hosted a two-day workshop on Security and Human Rights in February 2018 in Mexico City, together with AMEXHI (non-profit civil association that brings together the main oil and gas investors and operators in Mexico.)
- IPIECA has attended and participated in several external events, for example;
 - The *Annual Plenary Meeting on the Voluntary Principles on Security and Human Rights* in March 2018 and March 2019.
 - The *United Nations Forum on Business and Human Rights* in November 2018 and November 2019.
- Throughout 2018 and 2019, IPIECA delivered numerous webinars to its members on topics such as managing community liaison officers, community engagement in conflict areas, free, prior and informed consent, and a number across the spectrum of human rights topics, such as remedy and labour rights.

Sector-specific publications

- January 2018: *Making the business case for Corporate Social Responsibility (CSR)*.
- October 2018: *Community liaison officers team building and management guidance and toolkit*. In April 2019 this publication was translated into French and Spanish.
- March 2019: A series of practical tools and guidance on *Company and supply chain labour rights*.
- June 2019: *Guidance on Community development agreements*

HEALTH

Many people in the oil and gas industry work in extreme climates and difficult environments and are therefore exposed to a wide range of health risks. IPIECA advocates new approaches to enhance the health of oil and gas industry employees and furthermore, the communities in which they operate.

Sector-specific publications

- May 2018: *Health leading performance indicators - 2017 data*.
- February 2019: *Health management in the oil and gas industry*.

- March 2019: *Managing fatigue in the workplace*. This document includes a guide for the oil and gas industry, fatigue information sheets and associated fatigue management checklists and tools.
- July 2019: *Health leading performance indicators - 2018 data*.

CLIMATE AND ENERGY

Energy is a key driver of sustainable development, without which most of the other SDGs cannot be achieved. The universal global challenge is to ensure access to sustainable, modern energy, while moving towards a global energy system with net-zero greenhouse gas (GHG) emissions in the second half of this century. IPIECA is supporting the industry to be a part of the climate change solution by working on issues such as reducing GHG emissions through energy efficiency, flare reduction and managing methane. IPIECA accelerates positive change by bringing together experts from these fields to help develop and promote good practice documents whilst hosting a range of specialist workshops. This ultimately helps the oil and gas industry address climate-related risks while meeting the increasing global demand for energy.

The efforts made by IPIECA's climate and energy group contribute towards achieving the aims of the Paris Agreement, the UNGC's **Environment** principles and the SDGs such as **7**, **9** and **13**.

Workshops and events

- IPIECA has featured at the following external events:
 - February 2018 the *9th OECD plenary on Natural Resource Extraction*.
 - March 2018 the *UNECE reducing methane emissions workshop*.
 - April 2018 the *97th Spring Petroleum Environmental Research Forum meeting*.
 - May 2018 the *UNFCCC Bonn Climate Change Meeting*.
 - July 2018 the *OGCI workshop on methane* and the *Methane Guiding Principles workshop on common reporting template*.
 - September 2018 the *Bangkok Climate Change Conference* and *Methane Guiding Principles workshop on governance*.
 - October 2018 the *Young Vision Award (German, Russian Universities) judging panel* and the *Oil and Gas Denmark Summit*.
 - November 2018 the *OGCI workshop on carbon capture utilization and storage* and the *9th UNECE International Forum on Energy for Sustainable Development*.
 - February 2019 the *World Petroleum Council leadership conference*.
 - March 2019 the *UNECE 6th session of the Group of Experts on Gas*.
 - June 2019 the *UNFCCC first sessional period SB-50*.
 - In December 2018 and 2019, both the *24th and 25th Conference of the Parties to the United Nations Framework Convention on Climate Change*, located in Katowice and Madrid respectively. IPIECA held side events and appeared on other panels.
- IPIECA hosted the following events:
 - July 2018 the *IPIECA Low-emissions pathways and SDGs workshop for UNE Paris and IEA*.
 - October 2018 the *Nationally determined contributions, mid-century strategies* and the *Paris aims workshop*.
 - September 2019 the workshop; *The role of carbon offsets in GHG mitigation and enhanced ambition*
- Throughout 2018 and 2019, IPIECA delivered webinars, educating members on; carbon capture and storage (CCS) including a 4-part 2019 series, carbon offsets, methane mapping and flare reduction strategy.

Sector-specific publications

- March 2018: *Methane glossary*.
- May 2018: *Making CCS fly: IPIECA workshop report*.
- January 2019: *Making the case for carbon capture and storage: An IPIECA fact sheet*.
- March 2019: *The role of scenario analysis in climate reporting* (external)
- June 2019: *IPIECA climate change reporting framework – update with TCFD*.
- August 2019: *Exploring low-emissions pathways for transport*.

ENVIRONMENT

IPIECA cooperates with its members in order to establish environmentally responsible operations across the oil and gas industry whilst it continues to meet society's increasing demand for energy, fuels and petroleum products. IPIECA convenes industry and stakeholders to work on issues across the environmental spectrum. Our work aims to integrate the management of biodiversity and ecosystem services (BES) across the lifecycle of oil and gas operations, embed the concept of BES issue management within operational practices and management systems and enable the industry to proactively identify potential water risks and manage water issues. This is achieved via the development and promotion of practical tools and good practice guidance, along with providing a forum for the sharing of knowledge.

IPIECA's environmental-related practical actions further build upon the enactment of the UNGC's **Environment** principles and help deliver SDGs such as **6, 7, 14** and **15**.

Workshops and events

- IPIECA's environment group has hosted the following internal events:
 - May 2018 the *4th BES peer-to-peer workshop* in South Africa bringing together oil and gas companies to learn about the fundamentals of managing BES issues throughout the lifecycle of oil and gas operations.
 - September 2018 the *IPIECA-UNEP-UNEP-WCMC-Norad Oil for Development - Africa Regional Workshop on Oil and Gas Operations in Environmentally Sensitive Areas*.
 - November 2018 the *CBD COP14 side event: IPIECA-UNEP-WCMC-IUCN Mainstreaming biodiversity in the oil and gas sector: good practices for biodiversity management* and the *CBD COP14 Rio Convention Pavilion: Cross-Sector Biodiversity Initiative - Interactive Panel on Biodiversity Impact Avoidance*.
- IPIECA has also featured at numerous external events:
 - July 2018 the *SBSTTA 22 -Twenty-second meeting of the Subsidiary Body on Scientific, Technical and Technological Advice* and the *2nd meeting of Subsidiary Body on Implementation*.
 - November 2018 the *14th Conference of the Parties to the Convention on Biological Diversity*.
 - IPIECA has featured at the *World Water Week 2018* and *2019* events.
 - November 2019 the *World Ocean Council Sustainable Ocean Summit* in Paris.
- Across 2018 and 2019 the environment group have also held members' only **webinars** informing its members on; the Net Positive Approach, BES management including freshwater biodiversity and the human-rights based approach, PFAS, UNEA 4 Resolutions/impacts to oil and gas, social media analytics in oil and gas, water stewardship and water horizon scanning.

Sector-specific publications

- October 2019: *Globally Harmonized System (GHS) criteria to petroleum substances*.
- February 2018: *2017 Biodiversity and Ecosystem Services horizon scanning report* (members only)
- May 2018: *Biodiversity and ecosystem services fundamentals: A summary*.

- July 2018: *Landscape-level approach: An oil and gas perspective.*
- November 2018: *Managing biodiversity and ecosystem services in oil and gas: Mainstreaming the mitigation hierarchy.*
- March 2018: *Produced water reuse: Opportunities and constraints* (members only but an external report on the subject will be published in 2020)
- May 2018: French and Spanish translation of water risk assessment e-learning training course.

FUELS AND PRODUCTS

IPIECA's fuels and products working group convenes its members in order to develop good practice and promote technological solutions for the industry's midstream and downstream sectors. IPIECA specifically focuses on reducing GHGs across the production, refining and transportation of oil and gas and helps industry meet the increasingly difficult challenge of producing and supplying cleaner, better performing hydrocarbon fuels.

The work of IPIECA's fuels and products working group furthers the application of the UNGC's **Environment** principles and helps deliver SDGs such as **3** and **7**.

Workshops and events

- IPIECA has hosted the following internal events:
 - February 2018 the *IPIECA Marine fuels 2020 workshop* and the *IPIECA briefing workshop on 2020 Global Bunker Fuel Sulphur regulation.*
 - August 2018 the *Presentations on Marpol 2020 to Australian Oil Industry* and to *Maritime New Zealand.*
 - October 2018 the *IPIECA one-day workshop on 2020 Global Bunker Fuel Sulphur regulation.*
 - February 2019 the *IPIECA briefing workshop on 2020 Global Bunker Fuel Sulphur regulation.*
 - June 2019 the *IPIECA information exchange workshop for PETRONAS.*
- IPIECA's fuels and products group has featured at these external events:
 - January 2018 the *Presentation at European Oil Storage Conference*
 - April 2018 the *Presentation at Society for Petroleum Engineers HSSE conference.*
 - May 2018 the *International Transportation Forum Summit: Transport Safety and Security.*
 - October 2018 the *Panel Presentation at Singapore Bunker Conference (SiBCon).*
 - November 2018 the *Presentation and Panel speaker at Indian Institute of Marine Engineers, the Presentation to UK Chamber of Shipping MARPOL workshop, the Presentation at 12th Mare Forum USA and the Panel discussion at European Refining Technology Conference.*
 - March 2019 the *Partnership for Clean Fuels and Vehicles 12th Global Partners Meeting* and the *Presentation at International Parcel Tankers Association (IPTA) Chemical and Product Tanker Conference.*
 - June 2019 the *Presentations at African Refiners and Distributors Association MARPOL workshop, the Singapore Shipping Association/Maritime and Port Authority of Singapore seminar, the Presentation and Panel Session at CPCIF hosting the Asia Downstream Markets and Technology Conference and the Presentation at REMPEC meeting to establish an ECA in the Mediterranean.*
 - September 2019 the *Panel discussion at European Refining Summit.*
 - October 2019 the *Presentation at IMO Low Sulphur and Alternative Shipping Fuels Symposium.*
 - November 2019 the *Presentation at the African Refiners and Distributors Association workshop.*

Sector-specific publications

- August 2019: *Joint Industry Guidance on the supply and use of 0.50%-sulphur marine fuel.*
- December 2019: Production of e-learning course on the guidance document.

OIL SPILL PREPAREDNESS AND RESPONSE

Over the past 30 years, IPIECA has worked continuously to harness the oil and gas industry's collective knowledge, expertise and technology on oil spill preparedness and response. While prevention is always best, IPIECA gives equally high priority to developing the capability to respond to spills. IPIECA develops good practice guidance and facilitates industry forums to share oil spill preparedness and response knowledge.

IPIECA's efforts regarding oil spill preparedness and response help to contribute towards realising the UNGC's **Environment** principles and addresses SDG **14**.

Workshops and events

- IPIECA has hosted the following internal events:
 - June 2018 the *RAC-REMPEITC Caribe workshop*.
 - October 2019 the *GI WACAF Conference*.
 - November 2019 the *Oiled wildlife exercise workshop*.
- IPIECA's Oil Spill group have also featured at the following external events:
 - March 2018 the *70th Anniversary of the establishment of IMO and the Interspill*.
 - May 2018 the *13th International Effects of Oil on Wildlife Conference*.
 - June 2018 the *4th PREMIAM Conference - Post Spill Monitoring & Impact Assessment: Looking Back and Moving Forward*.
 - November 2018 the *East Asian Seas Congress meeting*.
 - May 2019 the *Spillcon and Adriaspillcon* events.
 - October 2019 the *Industry Technical Advisory Committee for oil spill response meeting*.

Sector-specific publications

- January 2018: *Guidelines on implementing spill impact mitigation assessment (SIMA)*.
- August 2019: *Oil spill preparedness and response: An introduction*.

FURTHER EFFORTS

SUSTAINABLE DEVELOPMENT GOALS

In 2017, IPIECA partnered with the United Nations Development Programme (UNDP) and the International Finance Corporation (IFC) to develop *Mapping the oil and gas industry to the Sustainable Development Goals: An Atlas* which helps members develop a shared understanding of the implications of the UN SDGs for the oil and gas industry and how the industry can most effectively add value. IPIECA published an executive summary of the Atlas in July 2019 (also available in French, Portuguese, Spanish, Japanese and Arabic).

Since the launch of the Atlas, IPIECA has been engaged in a variety of efforts to help support the industry in its contribution towards the SDGs. For example, in 2019, IPIECA began work with the World Business Council on Sustainable Development (WBCSD) on an *SDGs Roadmap* which will bring representatives from the sector together to explore, articulate and mobilise how the oil and gas industry can align its efforts for greater impact.

Workshops and events

- IPIECA has attended and participated in several external events, such as:
 - March 2018 the *5th Session UNECE Group of Experts on Gas*.
 - July 2018 the *UN High-level Political Forum on Sustainable Development*.
 - September 2018 the *73rd Session of the UN General Assembly*.
 - July 2019 – *HLPF*.
 - Sept 2019 – *UN General Assembly*.
- IPIECA has hosted internal workshop on *Low-emissions pathways and SDG 7: Access to affordable and clean energy*, in May 2019.
- IPIECA has also held webinars for its members on the SDGs. These have been on topics such as mapping the oil and gas industry to the SDGs, how the industry can have a bigger impact on the SDGs and a country case study on advancing SDG impacts in Brazil.

SUSTAINABILITY REPORTING

High quality sustainability reporting is an enabler of transparency, performance improvement and stakeholder engagement. IPIECA encourages the industry to publish sustainability reports and helps improve the quality of sustainability reporting by publishing guidance, convening workshops, engaging with stakeholders, and acting as a focal point for information sharing.

The next edition of the joint IPIECA-IOGP-API *Sustainability reporting guidance for the oil and gas industry* will be published in 2020. IPIECA continues to engage with a variety of key stakeholders and reporting frameworks to facilitate constructive engagement and develop a shared understanding of the sustainability reporting landscape. IPIECA also carries out an annual reporting survey to understand overall reporting trends and how reporting can add value.

SUPPLY CHAIN MANAGEMENT

Responsible management of supply chains is critical as contractors and suppliers form a significant part of the business model for oil and gas companies. Transparency and social performance throughout the supply chain are under increasing public scrutiny. IPIECA continues to promote the integration of socially and environmentally responsible practices across the entire supply chain by working with our members to share best practices between companies.